

Domestic Fundamentals:

- Mixed trend featured in the various edible oils at the various centers Tuesday.
- India's soy oil imports rose by four times in December from a year ago on higher demand, low international prices, and low availability of domestic soybean crushing due to low domestic soybean crop. RBD palmolein imports rose on higher import parity than domestic refined RBD palmolein. Duty differential of 7.5 percent between crude edible oil and refined edible oils has created this situation. Industry is asking for 15 percent duty differential to check this flow of oil.
- Expectation of lower production of palm oil in January and February in Malaysia and Indonesia on El Nino has propelled prices higher. Exports data of the first fortnight of the month has also supported prices. Malaysia kept its export duty for February at zero to decrease stocks of palm oil in the country. Production is expected to rise in second half of 2016 when normal weather resumes. Ringgit is expected to support palm oil prices in near term on its expected depreciation. Prices are in range.
- NOPA reported higher y-o-y US soy oil production for December 2015 on higher crush of soybean by crushers. Soy oil stocks rose in December y-o-y. Both the data points put soy oil prices towards downside. Brazil soybean crop condition and China demand prospects are pushing up prices of soy oil. Parts of soybean producing belts of Brazil have not received beneficial rainfall may affect yields. USDA retained soybean crop for Brazil at 100 MMT. Argentina soybean growing regions have received beneficial rainfall and soil moisture is in good condition may support yields. USDA retained Argentina soybean crop at 57 MMT. Global risk aversion and equity market turmoil may underpin prices of soy oil in near term. Crude oil fall is expected to underpin prices in near term.
- According to Solvent Extractors Association (SEA), India's stock at ports and in pipelines rose to 2.51 MMT on 1st January, 2016 from 2.43 MMT on 1st December, 2015. Stocks at ports and in pipelines are at record levels. Stocks at all ports is estimates at 1.11 MMT tons (CPO 0.52 MMT, RBD Palmolein 0.20 MMT, Degummed Soybean Oil 0.25 MMT, Crude Sunflower Oil 0.10 MMT and 0.04 of Rapeseed (Canola) Oil) and around 1.40 MMT in pipelines. Stocks at ports and in pipelines are estimated at 47 days of India's edible oil consumption on 1st January, 2016 v/s 44 days requirement on 1st December, 2015. India's monthly requirement is around 1.6 MMT.
- According to Indonesian Palm Oil Association (GAPKI), Indonesia's 2016 palm oil exports expected to fall to 23-24 MMT due to higher biodiesel use. Indonesia's 2016 production is expected to increase to 35 MMT. GAPKI previously estimated production at 33.5 MMT. Crude Palm Oil (CPO) prices are expected at \$580 to \$600 per ton or 2450-2550 Ringgit in 2016. With the current weak crude oil prices the B20 biodiesel standards will not be sustainable, according to GAPKI.
- According to Malaysian Palm Oil Board (MPOB), Malaysia's palm oil production could rise to 20.1 MMT in 2016 from 19.96 MMT in 2015. Matured area is expected to influence crude oil production. Matured area will increase by 3 percent, especially in Sarawak, according to the board. Malaysia's output of palm oil in 2015 was 19.96 MMT, up 1.5 percent y-o-y.

Outlook: Edible oil basket is expected to feature firm soy, palm and weak rapeseed oil in the spot market, in near-term.

NCDEX Soy Refined Oil:

Contract	+/-	Open	High	Low	Close
Feb-16	2.50	605.30	607.95	604.00	607.95
Mar-16	2.00	602.10	602.90	599.40	602.85

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Feb-16	26,920	2390	89430	780
Mar-16	7,510	950	52450	580

Vol-OI are taken at 5:30 PM

Spread	Feb-16	Mar-16
Basis	2.05	7.15
Feb-16		-5.10
Mar-16		

MCX CPO:

Contract	+/-	Open	High	Low	Close
Jan-16	0.10	427.00	427.80	424.00	427.20
Feb-16	0.40	433.70	433.70	429.00	432.20

Prices are taken at 5:30 PM

Contract	Volume	Change	OI	Change
Jan-16	1134	253	4669	-301
Feb-16	1570	716	4669	561

Vol-OI are taken at 5:30 PM

Spread	Jan-16	Feb-16
Basis	-3.2	-8.2
Jan-16		5
Feb-16		

* CPO Kandla prices taken for spread calculated as at 8:30 PM

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

Contract	+/-	Open	High	Low	Close
15-Jan	0.37	29.6	30.04	29.59	30.02
15-Mar	0.38	29.89	30.24	29.82	30.24
15-May	0.37	30.24	30.47	30.21	30.47
15-July	unch	-	-	-	-
15-Aug	0.36	30.31	30.57	30.29	30.57

BMD CPO Futures:

(Values in MYR/tonnes)

Contract	+/-	Open	High	Low	Close
15-Feb	24	2354	2375	2350	2372
15-Mar	18	2421	2434	2409	2432
15-Apr	7	2477	2478	2458	2478
15-May	-1	2500	2502	2482	2495

Forex:

Date/Currency	Chinese Yuan	Indonesian Rupiah	Malaysian Ringgit	Argentine Peso	Indian rupee	Brazilian Real	Dollar Index
19/01/2016	6.58	13957	4.365	13.53	67.64	4.01	99.24

Edible Oil Prices at Key Market

Commodity	Centre	Prices(Per 10 Kg)		Change
		19-Jan-16	18-Jan-16	
Refined Soybean Oil	Kota	615	615	Unch
	Rajkot	588	590	-2
	Delhi	652	655	-3
	Mumbai	612	610	2
	Indore	610	610	Unch
	Kandla/Mundra	595	595	Unch
	Kolkata	605	605	Unch
	Indore (Soy Solvent Crude)	590	592	-2
	Mumbai (Soy Degum)	570	570	Unch
	Kandla/Mundra (Soy Degum)	570	570	Unch
	Akola	642	642	Unch
	Amrawati	641	641	Unch
	Jalna	646	646	Unch
	Nagpur	639	639	Unch
	Alwar	NR	NR	-
	Solapur	646	646	Unch
	Bundi	620	620	Unch
	Dhule	648	648	Unch
Palm Oil	Rajkot	465	465	Unch
	Hyderabad	475	489	-14
	Delhi	540	530	10
	Kandla (Crude Palm Oil)	424	424	Unch
	Kandla (RBD Palm oil)	450	455	-5
	Mumbai RBD Pamolein	482	485	-3



	Kandla RBD Pamolein	475	475	Unch
	Mangalore RBD Pamolein	483	478	5
	Chennai RBD Pamolein	483	478	5
	Kakinada RBD Pamolein	472	475	-3
	KPT (krishna patnam) Pamolein	470	465	5
	Haldia Pamolein	475	475	Unch
	PFAD (Kandla)	310	310	Unch
	Refined Palm Stearin (Kandla)	320	320	Unch
Refined Sunflower Oil	Mumbai	745	745	Unch
	Mumbai(Expeller Oil)	665	660	5
	Kandla/Mundra (Crude)	665	665	Unch
	Erode (Expeller Oil)	735	735	Unch
	Hyderabad (Ref)	736	722	14
	Chennai	700	700	Unch
	Latur (Expeller Oil)	700	700	Unch
	Chellakere (Expeller Oil)	660	660	Unch
Groundnut Oil	Rajkot	950	950	Unch
	Chennai	880	880	Unch
	Delhi	930	930	Unch
	Hyderabad *	930	935	-5
	Mumbai	970	980	-10
	Gondal	940	940	Unch
	Jamnagar	950	960	-10
Rapeseed Oil/Mustard Oil	Mumbai (Expeller Oil)	875	885	-10
	Sri-Ganga Nagar(Exp Oil)	800	800	Unch
	Alwar (Expeller Oil)	NA	NA	-
	Kota (Expeller Oil)	760	770	-10
	Jaipur (Expeller Oil)	840	843	-3
	New Delhi (Expeller Oil)	952	952	Unch
	Hapur (Expeller Oil)	850	850	Unch
	Sri-Ganga Nagar (Kacchi Ghani Oil)	860	865	-5
	Kota (Kacchi Ghani Oil)	840	840	Unch
	Jaipur (Kacchi Ghani Oil)	859	859	Unch
	Agra (Kacchi Ghani Oil)	935	NR	-
	Bharatpur (Kacchi Ghani Oil)	930	NR	-
	Neewai (Kacchi Ghani Oil)	838	838	Unch
	Hapur (Kacchi Ghani Oil)	900	890	10
Refined Cottonseed Oil	Mumbai	580	580	Unch

	Rajkot	580	577	3
	New Delhi	560	562	-2
	Hyderabad	570	575	-5
Coconut Oil	Kangayan (Crude)	855	850	5
	Cochin	900	900	Unch
	Trissur	870	870	Unch
Sesame Oil	New Delhi	650	650	Unch
	Mumbai	700	700	Unch
Kardi	Mumbai	870	870	Unch
Rice Bran Oil (40%)	New Delhi	435	430	5
Rice Bran Oil (4%)	Punjab	500	500	Unch
Rice Bran Oil (4%)	Uttar Pradesh	500	500	Unch
Malaysia Palmolein USD/MT	FOB	545	548	-3
	CNF India	570	575	-5
Indonesia CPO USD/MT	FOB	530	530	Unch
	CNF India	550	555	-5
RBD Palm oil (Malaysia Origin USD/MT)	FOB	540	545	-5
RBD Palm Stearin (Malaysia Origin USD/MT)	FOB	510	515	-5
RBD Palm Kernel Oil (Malaysia Origin USD/MT)	FOB	1015	1015	Unch
Crude palm Kernel Oil India (USD/MT)	CNF India	NA	NA	-
Palm Fatty Acid Distillate (Malaysia Origin USD/MT)	FOB	478	483	-5
Ukraine Origin CSFO USD/MT Kandla	CIF	848	845	3
Rapeseed Oil Rotterdam Euro/MT	FOB	707	698	9
Argentina FOB (\$/MT)		18-Jan-16	16-Jan-16	Change
Crude Soybean Oil Ship		Unq	Unq	-
Refined Soy Oil (Bulk) Ship		Unq	Unq	-
Sunflower Oil Ship		Unq	Unq	-
Cottonseed Oil Ship		Unq	Unq	-
Refined Linseed Oil (Bulk) Ship		Unq	Unq	-
* indicates including VAT				

Note - Domestic edible oil prices are in Indian rupees per 10 Kg, CNF/FOB/CIF prices are in USD per tons except Rapeseed oil Rotterdam (Euro per tons)

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